

WASHINGTON: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Washington's Workers

- More than one-third (41.0 percent) of all manufacturing workers in Washington depend on exports for their jobs. This is the highest percentage among the 50 states, and more than twice the national figure of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated 11.7 percent of Washington's total private-sector employment (roughly one of every nine jobs), which is much higher than the national average of 6.5 percent (roughly one of every 15 jobs). (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports on the U.S. economy.

Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Many Thousands of Washington Firms—Small As Well As Large

- A total of 10,078 companies exported from Washington locations in 2001. This is up from the 9,922 companies that exported from the state in 1999. Eighty-eight percent of exporting companies in 2001 were small and medium-sized enterprises (SMEs) that had fewer than 500 employees.
- SMEs generated nearly one-sixth (15.3 percent) of Washington's total exports of merchandise in 2001.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Washington

- In 2002, majority-owned affiliates of foreign companies employed 84,100 workers in Washington.
- Over one-fourth of these foreign-investment-supported jobs (25.3 percent, or 21,300 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 7.1 percent of total manufacturing employment in Washington in 2001.
- Foreign investment in Washington was responsible for 4.1 percent of the state's total private-industry employment in 2001.
- Major sources of Washington's foreign-investment-supported jobs in 2002 were Canada, Japan, the United Kingdom, Germany, and the Netherlands.

Note: All figures exclude employment in banks affiliated with foreign companies.

Source: Bureau of Economic Analysis.

Washington Depends on World Markets

- Washington's export shipments of merchandise in 2003 totaled \$34.2 billion. Washington ranked fourth among the states in terms of 2003 exports.
- Washington exported globally to 206 foreign destinations in 2003. The state's largest market that year was Japan, which received exports of \$5.4 billion. Besides Japan, Washington exported at least \$1 billion to nine other markets: NAFTA member Canada (\$3.3 billion), China (\$3.2 billion), Singapore (\$2.1 billion), Australia (\$2.0 billion), Taiwan (\$2.0 billion), the Netherlands (\$1.7 billion), South Korea (\$1.7 billion), the United Kingdom (\$1.5 billion), and Italy (\$1.1 billion).
- Washington's biggest growth market, in dollar terms, is Australia. From 1999 to 2003, the state's export shipments to Australia increased \$1.4 billion. Other countries which recorded large increases in merchandise exports from Washington over this period were Taiwan (exports up \$1.2 billion), China (up \$1.2 billion), Singapore (up \$807 million), the Netherlands (up \$744 million), Vietnam (up \$725 million), and Canada (up \$548 million).
- Of Washington's 30 major markets, exports to Cyprus grew the fastest over the 1999-2003 period, increasing more than 10,900 percent. Washington also more than doubled its exports to Bahrain, Vietnam, Hungary, South Africa, Australia, Indonesia, Taiwan, the Philippines, and Ireland.
- The transportation equipment sector dominates the state's export profile, and accounted for 60 percent (\$20.4 billion) of Washington's total merchandise exports in 2003. Other top manufactured exports that year were computers and electronic products (\$2.4 billion), and processed foods (\$1.6 billion).
- In dollar terms, Washington's leading manufactured export growth category is computers and electronic products. Export shipments of these products during the 1999-2003 period grew from \$1.6 billion to \$2.4 billion. Other manufactured export categories that registered large dollar growth over this period were processed foods (up \$546 million), petroleum and coal products (up \$367 million), and chemical manufactures (up \$89 million).
- In percentage terms, Washington's fastest-growing manufactured export category is petroleum and coal products, which grew 99 percent, from \$370 million in 1999 to \$737 million in 2003. Other fast-growing manufactured exports during this period were non-metallic mineral manufactures (up 70 percent), processed foods (up 52 percent), and non-apparel textile products (up 49 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

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